

OCHR FACTSHEET

Freeze on Pay Adjustments for Federal Civilian Employees

Issued: January 2011

PAY FREEZE

This Fact Sheet:

- Explains how federal civilian pay adjustments are affected by the freeze on pay signed into law on December 22, 2010.
- Describes which categories of employees and pay adjustments are covered/excluded under the pay freeze.
- Provides references for finding additional information on pay freeze topics.

Background

In December, the President signed Congressional legislation* that freezes civilian pay for two years. The pay freeze prohibits statutory pay adjustments from January 1, 2011 to December 31, 2012. Certain additional payments and continuing pay increases (e.g., bonuses, promotion increases, WGIs) are excluded from the pay freeze. This fact sheet provides key highlights of the impact of the legislation.

*The Continuing Appropriations and Surface Transportation Extensions Act of 2011 (H.R. 3082)

Employees Covered by the Pay Freeze

Employees covered by the following personnel systems are affected by the pay freeze:

- General Schedule
- Alternative Personnel Systems
- Executive Schedule
- Federal Wage System (Prevailing Rate)
- Senior Executive or Senior-level Employees
- Political Appointees

Pay Adjustments Covered by the Pay Freeze

The legislation covers statutory pay adjustments, including:

- GPI – General pay increases (across-the-board adjustments)
- Locality pay adjustments (except for employees covered under the Non-Foreign Area Retirement Equity Assurance Act of 2009)
- Prevailing rate adjustments
- Executive schedule adjustments
- Basic pay increases for Senior Executive or Senior-level employees (unless their position changes due to a substantial increase in responsibility or a promotion)

Employees and Pay Adjustments EXCLUDED from the Pay Freeze

All military personnel and reservists are excluded from the pay freeze. The following elements of federal civilian pay are NOT covered by the pay freeze:

- Additional payments in the form of:
 - Performance-based awards (bonuses and salary increases)
 - Recruitment, relocation, and retention incentives
 - Premium payments (e.g., overtime pay)
- Continuing pay increases including:
 - Promotion increases
 - Within-grade step increases (WGIs)
 - Quality step increases (QSIs)



OCHR
FACTSHEET

Frequently Asked Questions

Q. When is the pay freeze effective?

A. The pay freeze goes into effect on January 1, 2011 and ends December 31, 2012.

Q. Which categories of employees are impacted by the pay freeze?

A. The legislation covers employees in the General Schedule, Alternative Personnel Systems, Federal Wage System (Prevailing Rate), Executive Schedule, Senior Executive Service (SES), Senior-level/Scientific & Professional (SL/ST), Senior Foreign Service (SFS), Senior Executives and Senior-level employee equivalents, and political appointees.

Q. Which types of pay adjustments are affected by the pay freeze?

A. The legislation covers GPI (general pay increases), Executive Schedule adjustments, prevailing rate adjustments, locality pay adjustments (except for employees covered under the Non-Foreign Area Retirement Equity Assurance Act of 2009), and basic pay increases for senior-executive or senior-level employees.

Q. Are performance awards such as bonuses, performance-based salary increases and other types of additional payments covered by the pay freeze?

A. No. Employees may continue to receive additional payments such as performance bonuses, performance-based salary increases; recruitment, relocation, and retention incentives; and premium payments (e.g., overtime pay) in accordance with requirements and limitations in law, regulations and agency policy.

Q. Are promotions, regular within-grade increases, and quality step increases covered by the pay freeze?

A. No. Employees will continue to be eligible for promotions, periodic within-grade step increases based on fully successful level of performance and quality step increases for outstanding performance. Additional provisions apply to Senior Executives and Senior-level employees.

Where to Find Additional Information

The Office of Personnel Management (OPM) and Department of Defense (DoD) issued revised 2011 salary tables for General Schedule and Prevailing Rate employees:

- 2011 Salary Tables (posted by OPM) – www.opm.gov/oca/11tables/index.asp
- Prevailing Rate/Federal Wage System Pay Tables (posted by DoD) – www.cpms.osd.mil/wage

Additional information on Department of the Navy civilian compensation – www.public.navy.mil/donhr/compensation

Still Need Assistance?

Employees should contact their human resources servicing office for assistance. For additional questions on the pay freeze, email the Office of Civilian Human Resources (OCHR) at DONhrfaq@navy.mil.



OCHR
FACTSHEET